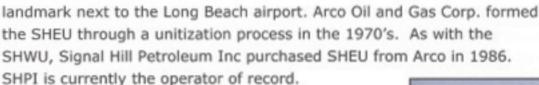
CITY UPLANDS AREAS

The Signal Hill West Unit (SHWU) is part of the Long Beach oil field located in both Long Beach and Signal Hill. Texaco formed the SHWU through a unitization process in the 1970's to share the costs of

implementing a waterflood among the 100's of royalty and working interests. Signal Hill Petroleum Inc. (SHPI) purchased the SHWU in 1993 from Texaco. SHPI is the current operator and responsible for the day-to-day activities associated with oil and gas production.

The Signal Hill East Unit (SHEU) like SHWU is part of the Long Beach oil field located in both Long Beach and Signal Hill. This surface expressed anticline structure is visible for miles and is a local



The Recreation Park operations is located on the north side of 7th Street. In 1962 Herbell Oil Company drilled and completed four directional development wells under "Big Rec" golf course. In late 1979 and early 1980, 3 additional wells were drilled and completed into the reservoir pool. A total of 7 wells are now operated by Breitburn Energy Company LLC, a Los Angeles based independent oil company.

The City Wasem Community Lease is located near Marine Stadium, which is an extension of the Seal Beach oil field. The Marine area oil pool was discovered and developed in 1979 by Elliot & Ten Eyck (ET). The lease currently has 16 active wells.

The City has interests in all of these fields.

The income from the working interest revenue is transferred into the Upland Oil Fund. After expenses are paid, the net profit is transferred to the City's General Fund.



